

Annual Internal Audit Report 2019/20

Temple Ewell Parish Council

This authority's internal auditor, acting independently and on the basis of an assessment of risk, carried out a selective assessment of compliance with relevant procedures and controls to be in operation **during** the financial year ended 31 March 2020.

The internal audit for 2019/20 has been carried out in accordance with this authority's needs and planned coverage. On the basis of the findings in the areas examined, the internal audit conclusions are summarised in this table. Set out below are the objectives of internal control and alongside are the internal audit conclusions on whether, in all significant respects, the control objectives were being achieved throughout the financial year to a standard adequate to meet the needs of this authority.

Internal control objective	Agreed? Please choose one of the following		
	Yes	No*	Not covered**
A. Appropriate accounting records have been properly kept throughout the financial year.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
B. This authority complied with its financial regulations, payments were supported by invoices, all expenditure was approved and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
C. This authority assessed the significant risks to achieving its objectives and reviewed the adequacy of arrangements to manage these.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
D. The precept or rates requirement resulted from an adequate budgetary process; progress against the budget was regularly monitored; and reserves were appropriate.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
E. Expected income was fully received, based on correct prices, properly recorded and promptly banked; and VAT was appropriately accounted for.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
F. Petty cash payments were properly supported by receipts, all petty cash expenditure was approved and VAT appropriately accounted for.	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
G. Salaries to employees and allowances to members were paid in accordance with this authority's approvals, and PAYE and NI requirements were properly applied.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
H. Asset and investments registers were complete and accurate and properly maintained.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
I. Periodic and year-end bank account reconciliations were properly carried out.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
J. Accounting statements prepared during the year were prepared on the correct accounting basis (receipts and payments or income and expenditure), agreed to the cash book, supported by an adequate audit trail from underlying records and where appropriate debtors and creditors were properly recorded.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
K. IF the authority certified itself as exempt from a limited assurance review in 2018/19, it met the exemption criteria and correctly declared itself exempt. (If the authority had a limited assurance review of its 2018/19 AGAR tick "not covered") <input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<input checked="" type="checkbox"/>
L. The authority has demonstrated that during summer 2019 it correctly provided for the exercise of public rights as required by the Accounts and Audit Regulations.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>
M. (For local councils only) Trust funds (including charitable) – The council met its responsibilities as a trustee.	<input checked="" type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>

For any other risk areas identified by this authority adequate controls existed (list any other risk areas on separate sheets if needed).

Date(s) internal audit undertaken

22 04 20

23 04 20

Name of person who carried out the internal audit

A J Kilbee

Signature of person who carried out the internal audit

AJ Kilbee

Date

24 04 20

*If the response is 'no' you must include a note to state the implications and action being taken to address any weakness in control identified (add separate sheets if needed).

**Note: If the response is 'not covered' please state when the most recent internal audit work was done in this area and when it is next planned, or, if coverage is not required, the annual internal audit report must explain why not (add separate sheets if needed).

Section 1 – Annual Governance Statement 2019/20

We acknowledge as the members of:

Temple Ewell Parish Council

our responsibility for ensuring that there is a sound system of internal control, including arrangements for the preparation of the Accounting Statements. We confirm, to the best of our knowledge and belief, with respect to the Accounting Statements for the year ended 31 March 2020, that:

	Agreed		Yes* means that this authority:
	Yes	No*	
1. We have put in place arrangements for effective financial management during the year, and for the preparation of the accounting statements.	✓		prepared its accounting statements in accordance with the Accounts and Audit Regulations.
2. We maintained an adequate system of internal control including measures designed to prevent and detect fraud and corruption and reviewed its effectiveness.	✓		made proper arrangements and accepted responsibility for safeguarding the public money and resources in its charge.
3. We took all reasonable steps to assure ourselves that there are no matters of actual or potential non-compliance with laws, regulations and Proper Practices that could have a significant financial effect on the ability of this authority to conduct its business or manage its finances.	✓		has only done what it has the legal power to do and has complied with Proper Practices in doing so.
4. We provided proper opportunity during the year for the exercise of electors' rights in accordance with the requirements of the Accounts and Audit Regulations.	✓		during the year gave all persons interested the opportunity to inspect and ask questions about this authority's accounts.
5. We carried out an assessment of the risks facing this authority and took appropriate steps to manage those risks, including the introduction of internal controls and/or external insurance cover where required.	✓		considered and documented the financial and other risks it faces and dealt with them properly.
6. We maintained throughout the year an adequate and effective system of internal audit of the accounting records and control systems.	✓		arranged for a competent person, independent of the financial controls and procedures, to give an objective view on whether internal controls meet the needs of this smaller authority.
7. We took appropriate action on all matters raised in reports from internal and external audit.	✓		responded to matters brought to its attention by internal and external audit.
8. We considered whether any litigation, liabilities or commitments, events or transactions, occurring either during or after the year-end, have a financial impact on this authority and, where appropriate, have included them in the accounting statements.	✓		disclosed everything it should have about its business activity during the year including events taking place after the year end if relevant.
9. (For local councils only) Trust funds including charitable. In our capacity as the sole managing trustee we discharged our accountability responsibilities for the fund(s)/assets, including financial reporting and, if required, independent examination or audit.	Yes	No	N/A
	✓		has met all of its responsibilities where, as a body corporate, it is a sole managing trustee of a local trust or trusts.

*Please provide explanations to the external auditor on a separate sheet for each 'No' response and describe how the authority will address the weaknesses identified. These sheets must be published with the Annual Governance Statement.

This Annual Governance Statement was approved at a meeting of the authority on:

Signed by the Chairman and Clerk of the meeting where approval was given:

and recorded as minute reference:

Chairman
Clerk

Other information required by the Transparency Codes (not part of Annual Governance Statement)
Authority web address
www.templeewellpc.kentparishes.gov.uk

Section 2 – Accounting Statements 2019/20 for

	Year ending		Notes and guidance
	31 March 2019 £	31 March 2020 £	
1. Balances brought forward	51434	20456	Please round all figures to nearest £1. Do not leave any boxes blank and report £0 or Nil balances. All figures must agree to underlying financial records.
2. (+) Precept or Rates and Levies	0	25246	Total balances and reserves at the beginning of the year as recorded in the financial records. Value must agree to Box 7 of previous year.
3. (+) Total other receipts	2271	5455	Total amount of precept (or for IDBs rates and levies) received or receivable in the year. Exclude any grants received.
4. (-) Staff costs	15683	12440	Total income or receipts as recorded in the cashbook less the precept or rates/levies received (line 2). Include any grants received.
5. (-) Loan interest/capital repayments	0	0	Total expenditure or payments made to and on behalf of all employees. Include gross salaries and wages, employers NI contributions, employers pension contributions, gratuities and severance payments.
6. (-) All other payments	17566	14384	Total expenditure or payments of capital and interest made during the year on the authority's borrowings (if any).
7. (=) Balances carried forward	20456	24333	Total expenditure or payments as recorded in the cash-book less staff costs (line 4) and loan interest/capital repayments (line 5).
8. Total value of cash and short term investments	20456	24333	Total balances and reserves at the end of the year. Must equal (1+2+3) - (4+5+6).
9. Total fixed assets plus long term investments and assets	83734	78546	The sum of all current and deposit bank accounts, cash holdings and short term investments held as at 31 March – To agree with bank reconciliation.
10. Total borrowings	0	0	The value of all the property the authority owns – it is made up of all its fixed assets and long term investments as at 31 March.
11. (For Local Councils Only) Disclosure note re Trust funds (including charitable)	Yes	No	The outstanding capital balance as at 31 March of all loans from third parties (including PwLB).
	✓		The Council, as a body corporate, acts as sole trustee for and is responsible for managing Trust funds or assets.
			N.B. The figures in the accounting statements above do not include any Trust transactions.

I certify that for the year ended 31 March 2020 the Accounting Statements in this Annual Governance and Accountability Return have been prepared on either a receipts and payments or income and expenditure basis following the guidance in Governance and Accountability for Smaller Authorities – a Practitioners' Guide to Proper Practices and present fairly the financial position of this authority.

Signed by Responsible Financial Officer before being presented to the authority for approval



Date 27/4/2020

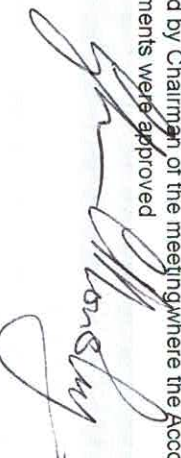
I confirm that these Accounting Statements were approved by this authority on this date:

26 05 20

as recorded in minute reference:

2021/031

Signed by Chairman of the meeting where the Accounting Statements were approved



Section 3 – External Auditor Report and Certificate 2019/20

In respect of **Temple Ewell Parish Council – KE0280**

1 Respective responsibilities of the body and the auditor

This authority is responsible for ensuring that its financial management is adequate and effective and that it has a sound system of internal control. The authority prepares an Annual Governance and Accountability Return in accordance with *Proper Practices* which:

- summarises the accounting records for the year ended 31 March 2020; and
- confirms and provides assurance on those matters that are relevant to our duties and responsibilities as external auditors.

Our responsibility is to review Sections 1 and 2 of the Annual Governance and Accountability Return in accordance with guidance issued by the National Audit Office (NAO) on behalf of the Comptroller and Auditor General (see note below). Our work **does not** constitute an audit carried out in accordance with International Standards on Auditing (UK & Ireland) and **does not** provide the same level of assurance that such an audit would do.

2 External auditor report 2019/20

On the basis of our review of Sections 1 and 2 of the Annual Governance and Accountability Return (AGAR), in our opinion the information in Sections 1 and 2 of the AGAR is in accordance with *Proper Practices* and no other matters have come to our attention giving cause for concern that relevant legislation and regulatory requirements have not been met.

Other matters not affecting our opinion which we draw to the attention of the authority:

None

3 External auditor certificate 2019/20

We certify that we have completed our review of Sections 1 and 2 of the Annual Governance and Accountability Return, and discharged our responsibilities under the Local Audit and Accountability Act 2014, for the year ended 31 March 2020.

External Auditor Name

PKF LITTLEJOHN LLP

External Auditor Signature



Date

16/07/2020

* Note: the NAO issued guidance applicable to external auditors' work on limited assurance reviews for 2019/20 in Auditor Guidance Note AGN/02. The AGN is available from the NAO website (www.nao.org.uk)

Temple Ewell Parish Council Income and Expenditure 2019/2020

		2018/2019
Other income:		
DDC Precept (Zero in previous year as paid early by DDC)		25246.00
TEPS KGV Field Maintenance Contribution		1353.94
VAT Reclaimed (£2050 received 20/4/19 re previous year)		3940.75
Compensation - NatWest Bank (Misc Fundraising income)		100.00
Bank Interest		60.89
TOTAL INCOME		30701.58
Salaries & Wages		
Village Handyman Wages	2304.23	2052.60
Clerk Salary & Pension Contributions	10135.28	13630.41
	12439.51	15683.01
Administration & Audit		
Office allowance for Clerk	690.00	690.00
Information Commissioners Office Fee	35.00	35.00
Election Expenses per DDC (Clerk Recruitment advert)	327.50	395.00
Hall Hire	173.50	145.00
Audit - Internal	50.00	50.00
External Audit	200.00	200.00
Playground Safety Inspection	94.30	129.30
Travel Expenses	192.15	86.10
Stationery	505.95	1281.25
	2268.40	3011.65
Subscriptions & Grants		
KALC	459.04	456.14
Satswana - Data Protection	150.00	150.00
Kent Wildlife Trust	50.00	100.00
CPRE	36.00	36.00
KCPFA	20.00	20.00
Chairman's Allowance	141.63	150.94
Grants - TE Newsletter	500.00	500.00
Temple Ewell WI (Branching Out & KAA in previous year)	50.00	100.00
	1406.67	1513.08
Utilities		
Utilities - Electricity	189.09	93.35
Water	31.00	30.00
Video Conferencing	11.99	0.00
CCTV	174.50	204.40
Insurance	500.16	485.59
	906.74	813.34
Maintenance of Recreation areas		
Play Area maintenance	83.32	3000.00
Plants, Tree maintenance & weedkiller & fuel	634.97	838.56
KGV Field Maintenance	1742.04	1657.17
	2460.33	5495.73
Village Events		
Village Events - Summer Family Fun Day (WW1 Event)	1506.52	484.80
Xmas Lights Event & new decorations	552.00	819.62
	2058.52	1304.42
Miscellaneous:		
Planning & Audit Courses	174.00	72.00
Replacement tools for village handyman (shed)	281.04	708.22
Dog Bins (Railing repairs in previous year)	749.14	760.00
Additional Signage	233.00	316.00
Replacement Printer for Clerk (MacBook in previous year)	218.31	1131.62
Upgrade CCTV Hardware & additional camera	2139.00	407.94
	3794.49	3395.78
VAT Paid	1489.11	2032.40
TOTAL EXPENDITURE	26823.77	33249.41
Unreclaimed VAT £32.03		